

White
Signature of Sponsor

AMEND Senate Bill No. 7079

House Bill No. 7035*

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 7, is amended by adding the following as a new part:

49-7-3101.

(a) The purpose of this part is to attract and retain talented mental healthcare professionals by providing financial relief to eligible individuals dedicating a significant portion of their careers to serving the mental healthcare needs of the residents of this state.

(b) As used in this part:

(1) "Department" means the department of health; and

(2) "Program" means the mental healthcare professionals student loan repayment program created by this part.

49-7-3102.

Subject to specific appropriation of funds by the general assembly, there is created a mental healthcare professionals student loan repayment grant program to incentivize certain mental healthcare professionals to provide mental healthcare services in this state following completion of their training.

49-7-3103.

To be eligible for a loan repayment grant pursuant to the program, an individual must:

(1) Be a:

(A) Physician licensed pursuant to title 63, chapter 6 or 9, with expertise in psychiatry as determined by training, education, or experience and whose practice is primarily limited to psychiatry;

(B) Psychologist licensed pursuant to § 63-11-201(a)(3) and (b) and designated as a health services provider pursuant to § 63-11-208(d); or

(C) Professional counselor licensed pursuant to title 63, chapter 22;

(2) Have an outstanding student loan balance that resulted from medical education;

(3) Apply to the department for a grant, on forms provided by the department; and

(4) Enter into a contract with the department stating the individual shall:

(A) Provide mental healthcare services in this state for at least five (5) years within the seven (7) years following the date of application approval; and

(B) Use the grant funds only to repay eligible educational loans.

49-7-3104.

(a) An individual may apply for a grant while in training to become a licensed psychiatrist, psychologist, or professional counselor, but must not receive a grant until the individual completes all necessary training to be a licensed provider and satisfies the requirements of § 49-7-3103.

(b) To be eligible to apply while in training, an individual must be a student who:

(1) Has graduated from an accredited medical school and is actively enrolled in a psychiatry residency training program;

(2) Is training to become a psychologist and is engaged in a one-year postdoctoral experience required by § 63-11-208(d)(2)(A); or

(3) Is actively completing the two (2) years of professional experience required to become a licensed professional counselor pursuant to § 63-22-104(4).

49-7-3105.

(a) The department shall administer the program and establish an application and contract process.

(b) The department shall issue program monies to pay mental healthcare professionals student loan repayment grants to qualifying individuals for the amount of principal, interest, and related expenses of the individual's medical education loans, not to exceed the individual's total student loan indebtedness.

(c) Subject to the appropriation of sufficient funds and verification that an individual meets the eligibility requirements in § 49-7-3103, the department may award grants to qualifying individuals. However, the sum of all grants made to a qualifying individual must not exceed the individual's total student loan indebtedness.

(d) An individual who receives a student loan repayment grant and breaches the contract created pursuant to § 49-7-3103(4) by failing to comply with any of the requirements in § 49-7-3103(4) is liable for liquidated damages in an amount equivalent to the amount that would be owed for default and any other penalties as determined and authorized by the department. The department may retain legal counsel and commence whatever actions necessary to collect grant payments and charges if there is a default or a breach of a contract entered into under § 49-7-3103(4). The department may waive the liquidated damages provisions of this subsection (d) if it determines that death or permanent physical disability accounted for the failure of the participant to fulfill the contract. The department may prescribe additional conditions for default, cancellation, waiver, or suspension.

49-7-3106.

In addition to the program created by this part, the department is authorized in its discretion to enter into contracts with any Tennessee nonprofit corporation to carry out the purposes of this act, subject to following:

(1) As of the effective date of this act, the nonprofit organization has an existing contract with an agency of this state under which financial incentives are provided to healthcare professionals to practice in this state;

(2) The department determines that the nonprofit corporation has the resources to administer incentive programs to achieve the purposes of this part;

(3) The contract between the department and the nonprofit corporation must allow the nonprofit corporation to pursue remedies for default by a grant recipient or waive those privileges to the same extent as the department as set forth in § 49-7-3105(d); and

(4) The contract between the department and the nonprofit corporation must require the nonprofit corporation to periodically report on the identity of grant recipients, practice locations, defaults, collection efforts against defaulting recipients, and other information as the department determines is appropriate.

49-7-3107.

(a) The department is authorized to promulgate rules to effectuate this part. The department is authorized to consult with the Tennessee student assistance corporation, the board of medical examiners, the board of osteopathic examination, the board of professional counselors, and the board of examiners in psychology to promulgate rules to effectuate this part. The rules must be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

(b) The department shall provide an annual report to the governor, the chair of the education administration committee of the house of representatives, the chair of the education committee of the senate, and the legislative librarian outlining the number of

individuals applying for and awarded grants, and any recommendations for program improvements, no later than January 1 of each year.

SECTION 2. For the purpose of promulgating rules, this act takes effect upon becoming a law, the public welfare requiring it. For all other purposes, this act takes effect January 1, 2024, the public welfare requiring it.